

Redmond, Utah June 3, 1991 May?

Department of Natural Resources Lowell P. Braxton

We received your letter of May 1, 1991. It appears that you paid little attention to our letter of January, 5, 1991, so your demands are still unreasonable. As with the salt pits it is neither reasonable or appropiate to M.D.F.S. the clay pits.

Furthermore you have not considered that the Redmond Development Co. Inc. has the property under lease and all roads have post mining use.

We will bond for \$160,000 which we feel is reasonable. Please send us papers so we can have our bank make an irrivocable letter of credit. Thank you,

Milo J. Bosshardt
Milo J. Bosshardt

P.S. If you take four months to answer this, don't hold us to any completion deadline.

MAY 0 6 1991

DIVISION OF OIL GAS & MINING

RECLAMATION ESTIMATE Redmond Clay and Salt Company North Mining Property M/039/002

PAGE 1 of 6 last revision 4/17/91 Sanpete County

Prepared by Utah State Division of Oil, Gas & Mining

Reclamation Details - North Mine Property

- -Areas designated as Pre-Law by the Division are to be left as is
- -Closure of all mine portals by blasting/backfilling for 15 feet inside
- -Regrade portal closure to a 2 horizontal: 1 vertical slope (26 degrees)
- 2 salt mine portals; portal dimensions 20 ft x 25 ft
- -Salt Mine highwalls are 50 ft high for entire pit area
- -Clay Mine highwalls are 20 ft high for entire pit area
- -Pit highwalls to be blasted to 1:1 slope (45 degrees) for entire perimeter
- -CLAY PIT floors to be Ripped, Mulched, Disked, Fertilized, & Seeded (R-M-D-F-S)
- -Waste dumps & piles to be regraded to a 3h:1v slope (18 degrees)
- -All waste dumps & piles to be M-D-F-S
- -Roads without post-mining use to be R-M-D-F-S
- -TOTAL area in north mine area to be reclaimed = 10.47 acres

TOTAL area in north mine area to be re-	olalillou - I	7. 17 ac	,	
<u>Description</u>	<u>Amount</u>		\$/Unit	Cost-\$
Blasting 2 portals	560	CY	5.55	3,108
Regrading 2 portal closures	280	CY	0.25	70
Blasting salt pit highwalls	715	LF	1.05	751
Rip Salt pit floor	0.81	acre	955	0
M-D-F-S Salt pit floor	0.81	acre	1,480	0
Blasting clay pit highwalls	4,290	LF	0.97	4,161
Rip Clay pit floors (0.40 MPH)	4.07	acre	603	2,454
M-D-F-S Clay pit floors	4.07	acre	1,480	6,024
Regrade waste dump	1.39	acre	802	1,115
M-D-F-S Waste dump	1.39	acre	1,480	2,057
Regrade gravel pile	1.57	acre	802	1,259
M-D-F-S Gravel pile	1.57	acre	1,480	2,324
Rip roads & regrade berm(0.30 mph)	3.44	acre	799	2,749
M-D-F-S Roads	3.44	acre	1,480	5,091
SUBTOTAL			31,162	
+ 10% CONTINGENCY			3,116	
SUBTOTAL			34,278	
+ 5 yr ESCALATION(1.45%)			2,558	
NORTH MINING PROPERTY SUBTOTAL IN 1996-\$				\$36,836

RECLAMATION ESTIMATE Redmond Clay and Salt Company South Mining Property

Sanpete County

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4/17/91

M/039/002

Prepared by Utah State Division of Oil, Gas & Mining

Reclamation Details - South Mine Property

- -Closure of all mine portals by blasting/backfilling for 15 feet inside
- -Regrade portal closure to a 2 horizontal: 1 vertical slope (26 degrees)
- 4 salt mine portals; portal dimensions 20 ft x 50 ft
- -Salt Mine highwalls are 60 ft high for entire pit area
- -Pit highwalls to be blasted to 1:1 slope for entire perimeter
- -SALT PIT floors WILL NOT receive revegetation treatments
- -Waste dump & new earth removal area regraded to a 3h:1v slope (18 degrees)
- -Waste dump & new earth removal areas to be M-D-F-S
- -Half of Yard area (includes facilities area) to be R-M-D-S-F
- -ASSUMED: Metal scrap to be buried on mine site and area R-M-D-S-F
- -Roads without post-mining use R-M-D-S-F; TOTAL reclaim. = 13.52 acre

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<u>Description</u>	<u>Amount</u>		\$/Unit	Cost-\$
Blasting 4 portals	1,112	CY	5.55	6,172
Regrading 4 portal closures	556	CY	0.25	139
Blasting salt pit highwalls	1,925	LF	1.51	2,907
Rip Salt pit floor	2.06	acre	955	0
M-D-F-S Salt pit floor	2.06	acre	1,480	0
Regrade Waste dump	1.08	acre	802	866
M-D-F-S Waste dump	1.08	acre	1,480	1,598
Regrade Earth removal area	2.51	acre	802	2,013
M-D-F-S Earth removal area	2.51	acre	1,480	3,715
Rip 1/2 Yard area (0.30 mph)	2.50	acre	799	1,998
M-D-S-F 1/2 Yard area	2.50	acre	1,480	3,700
Bury metal scrap	0.77	acre	1,210	932
Rip Metal Scrap area (0.30 mph)	0.77	acre	799	615
M-D-S-F Metal Scrap area	0.77	acre	1480	1,140
Rip roads & regrade berm(0.30 mph)	6.22	acre	799	4,970
M-D-F-S Roads	6.22	acre	1,480	9,206
	SUBTOTAL			39,969
+ 10% CON	TINGENCY			3,997
	SUBTOTAL			43,966
+ 5 yr ESCALATI	ON(1.45%)			3,281
SOUTH MINING PROPERTY SUBTOTA	L-A	IN 19	96-\$	\$47,247

RECLAMATION ESTIMATE Redmond Clay and Salt Company South Mining Property M/039/002

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Prepared by Utah State Division of Oil, Gas & Mining

Reclamation Details - South Mine Property -- CONTINUED --

- -Pond area to be backfilled/regraded and M-D-S-F
- -Facilities with no postmine use demolished & buried on site; no salvage value
- -ASSUMED: The following dimensions for each facility listed below
- -Shed 45'x20'x18'; Shop 70'x30'x20'; Primary Crusher 60'x30'x20';
- -Secondary Crusher 60'x30'x20'; Mill 150'x80'x25'; Bulk Storage 150'x140'x25';
- -Scales 75'x20'x15'; Old Compressor House 30'x30'x12': Old Pump
- -House 30'x30'x12': Compressor House 30'x30'x12'; Tank 25' diameter;
- -ASSUMED: Crushers have reinforced concrete; bldgs have concrete floors

Description	Amount		\$/Unit	Cost-\$
Backfill/Regrade Pond	709	CY	0.42	298
M-D-S-F Pond area	0.44	acre	1480	651
Demolish Shed **POST MINING USE **	16,200	CF	0.20	0
Demolish Shop**POST MINING USE**	42,000	CF	0.20	0
Shop Concrete Floor	0	SY	11.75	0
Demo./Remodel Primary Crusher[1/4]	9,000	CF	0.20	1,800
Crusher Concreteburied onsite	40	CY	245	9,800
Demo./Remodel Secondary Crusher[1/4]	9,000	CF	0.20	1,800
Crusher Concreteburied onsite	40	CY	245	9,800
Demolish/remodel Mill [1/5 of area]	60,000	CF	0.20	12,000
Demo. Mill Concrete Floor	1333	SY	11.75	0
Demo. Bulk Str. ** POST MINING USE **	525,000	CF	0.20	0
Demo. Bulk Storage Floor**POST USE*	* 2333	SY	11.75	0
Demolish Scales	22,500	CF	0.20	4,500
Demo. Old Pump House	10,800	CF	0.20	2,160
Demo. Old Compressor House	10,800	CF	0.20	2,160
Demo. Compressor House	10,800	CF	0.20	2,160
Demolish Tank	1	ea	500	500
S	UBTOTAL			47,629
+ 10% CONTINGENCY				4,763
SUBTOTAL				52,392
+ 5 yr ESCALATION(1.45%)				3,910
SOUTH MINING PROPERTY SUBTOTAL-B		IN 19	996-\$	\$56,302

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RECLAMATION ESTIMATE

Redmond Clay and Salt Company

Clay Mining Property M/039/002 PAGE 4 of 6 4/17/91

Sanpete County

Prepared by Utah State Division of Oil, Gas & Mining

Reclamation Details - Clay Mine Property

- -ASSUMED: Clay Mine highwalls are 20 ft high for entire pit area
- -Pit highwalls to be blasted to 1:1 slope for entire perimeter
- -Four Pits: (1) 1.17 acre P=1,040'; (2) 2.61 acre P=1,250';
- (3) 1.18 acre P=1,040'; (4) 2.44 acre P=2,080';
- -Pit floors to be R-M-D-F-S
- -ASSUMED: Clay Pads have an earthen base
- -Two Clay Pads: (1) 2.36 acre; (2) 11.16 acre; to be R-M-D-S-F
- -Brine Pond to be backfilled/regraded -NO REVEGETATION TREATMENTS
- -ASSUMED: Clay Mill to have a post mining use
- -ASSUMED: Clay Mill dimensions are 250'x100'x20', with a concrete floor
- -Roads without post-mining use to be R-M-D-S-F; TOTAL reclaim. = 29.85 acre

Description	<u>Amount</u>		\$/Unit	Cost-\$
Blasting clay pit highwalls	5,410	LF	0.97	5,248
Rip Clay pit floors(0.40 mph)	7.40	acre	603	4,462
M-D-F-S Clay pit floors	7.40	acre	1,480	10,952
Rip Clay Pads	13.52	acre	955	12,912
M-D-S-F Clay Pads	13.52	acre	1480	20,010
Backfill/Regrade Brine Pond	0.69	acre	1210	835
M-D-S-F Brine Pond	0.69	acre	1480	1,021
Demo. Clay Mill**POST MINING USE**	500,000	CF	0.20	0
Demo. Clay Mill Floor**POST USE**	2,777	SY	9.20	0
Rip roads & regrade berm(0.30 mph)	8.24	acre	799	6,584
M-D-F-S Roads	8.24	acre	1,480	12,195
SUBTOTAL				74,218
+ 10% CONTINGENCY			7,422	
SUBTOTAL			81,640	
+ 5 yr ESCALATION(1.45%)			6,093	
CLAY MINING PROPERTY SUBTOTAL IN 1996-\$				\$87,733